



INTERNATIONAL MONETARY FUND  
International Monetary and Financial Committee of the Board of Governors

**Chair's Statement**  
**Forty-Sixth Meeting of the IMFC**  
Ms. Nadia Calviño, First Vice President of Spain and  
Minister for Economy and Digitalization

*The IMFC recalls that on March 2, the United Nations General Assembly by a majority of 141 countries adopted the resolution ES-11/1 “Aggression against Ukraine”<sup>1</sup> that “deplores in the strongest terms the aggression by the Russian Federation against Ukraine in violation of Article 2 (4) of the Charter” and “demands that the Russian Federation immediately cease its use of force against Ukraine”. Thirty-five countries abstained from the vote; five countries voted against the resolution; some countries expressed no position.*

*The IMFC recognizes that since our last meeting in April, Russia’s war against Ukraine has continued with massive humanitarian consequences and detrimental repercussions for the global economy through direct and indirect channels. The IMFC acknowledges that on October 12, the United Nations General Assembly by a majority of 143 countries adopted the resolution ES-11/L.5 “Territorial integrity of Ukraine: defending the principles of the Charter of the United Nations” that expresses its strong support for “the de-escalation of the current situation and a peaceful resolution of the conflict through political dialogue, negotiation, mediation and other peaceful means”<sup>2</sup>.*

*The IMFC reiterates its call for greater international cooperation and strengthened multilateralism to prevent fragmentation and safeguard global economic integration.*

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1. The global recovery is slowing amidst high uncertainties. Hit by multiple shocks, the global economy is facing significant challenges, and the outlook is more difficult than in April and subject to downside risks. More than two years of pandemic, followed by Russia’s war against Ukraine, are weighing heavily on economic activity with significant impact on livelihoods. Inflation is at multi-decade highs, debt is elevated, food and energy security risks are increasing, supply-chain and trade disruptions persist, and financial conditions are tightening, while capital flow and exchange rate volatility have increased. The global economy is subject to increased fragmentation risks. The steep rise in the cost of living is affecting everyone, with the most vulnerable hit the hardest. These developments come on top of intensifying inequality, debt vulnerabilities, and climate shocks. Rapid digitalization brings both opportunities and risks.

2. In this global context, appropriate domestic policies and intensified multilateral cooperation are essential to safeguard macroeconomic and global financial stability, shore up resilience, limit negative spillovers, and overcome the current food crisis. We will calibrate and coordinate our domestic policies, managing tradeoffs, and bolstering the effectiveness of

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<sup>1</sup> Quote from [UN Resolution ES-11/1](#).

<sup>2</sup> Quote from [UN Resolution ES-11/L.5](#).

the policy response, tailored to country-specific circumstances. Our priorities are to fight inflation and to protect the most vulnerable populations while safeguarding debt sustainability, growth, and macro-financial stability, and managing other vulnerabilities. Central banks are strongly committed to achieving price stability and ensuring that inflation expectations remain well anchored, in line with their respective mandates. Clear communication of policy and safeguarding central bank independence can help avoid exacerbating market volatility, limit negative cross-country spillovers, and maintain policy credibility. Fiscal policy will prioritize the protection of vulnerable groups from the burden of rising cost of living through temporary and targeted support while ensuring fiscal sustainability. We will ensure coherence of the overall monetary and fiscal stances, with due consideration to the complementary role of structural policies in easing trade-offs. As we continue to monitor financial vulnerabilities and risks to financial stability, our macroprudential policies need to guard against rising systemic risks as financial conditions tighten, while being mindful of potential negative procyclical effects. Recognizing that many currencies have moved significantly this year with increased volatility, we reaffirm our commitments on exchange rates, as made in April 2021. We will also advance our structural reform agenda to address supply constraints, bolster female labor force participation, and increase growth potential, thus easing growth-inflation tradeoffs.

3. Urgent multilateral action is needed to address shared challenges. We will further step up efforts to overcome the food crisis in coordination with international organizations and development partners and, in this context, will focus on supporting affected countries in protecting vulnerable populations from the impact of food price shocks and on lifting of export restrictions on food and fertilizers. We will continue to support vulnerable countries as they address their pressing financing needs and debt vulnerabilities. We reiterate our strong resolve to further accelerate climate action in line with the Paris Agreement and UNFCCC commitments, taking into account country-specific factors. We look forward to strong ambition for COP27, including enhanced action on adaptation and resilience. We recognize that timely, smooth, and just transitions to net zero will be critical for efforts toward increasing energy security and global resilience to current instability and future shocks. We will utilize policy mixes based on all effective tools, ranging from fiscal, market, and regulatory actions, including efficient policy instruments to reduce greenhouse gas emissions, while protecting the most vulnerable groups. We note the need to gradually adapt energy markets and promote the role of renewables as part of the energy mix, as well as strengthening the social support to green and sustainable transitions. We will ensure that the digital transformation process plays a key role in making our economies more resilient and inclusive, being mindful of data protection, data sharing and interoperability and portability. We will also work together to develop and implement effective legal and regulatory frameworks for the crypto-assets ecosystem, including the so-called stablecoins, and work to enhance cross-border payments. We reiterate our commitment on excessive global imbalances, and governance, and our statement on the rules-based trading system, as made in April 2021.

4. We welcome the Managing Director's Global Policy Agenda.

5. We support the IMF's surveillance focus on timely and granular policy advice to respond to ongoing shocks and uncertainty and strengthen resilience. We welcome the IMF's

policy advice and analytical work on inflation, monetary-fiscal policy interactions, policy spillovers, and risks related to global food insecurity, trade, and safety nets. We support the IMF's emphasis on inclusive policies. We welcome the IMF's progress on operationalizing the Integrated Policy Framework, guiding members on the appropriate use of multiple policy tools to deal with shocks and risks taking into account country-specific circumstances and in line with the Institutional View. We look forward to the upcoming reviews of the Role of Trade in the Work of the Fund and of the implementation of the 2018 Framework for Enhanced Fund Engagement on Governance.

6. We reiterate the IMF's critical role in providing financial support, including on a precautionary basis, with adequate safeguards to help members deal with balance of payments problems. We welcome the operationalization of the Resilience and Sustainability Trust (RST) and look forward to the first RST-supported programs later this year. We welcome the progress toward a cooperation framework with the World Health Organization and the World Bank to enable support of pandemic preparedness efforts through the RST. We reaffirm our support for broad-based voluntary contributions to the RST, including through voluntary channeling of SDRs and timely conversion of the pledges into agreements. To maximize members' benefit from the RST, we look forward to it playing a catalytic role through strengthened collaboration with the World Bank and other relevant multilateral institutions and attracting additional finance for climate and pandemic preparedness from the official and private sector. We welcome the new temporary food-shock window under the IMF's emergency financing instruments, which will help enhance support to members facing urgent balance of payments needs related to the global food shock. We also welcome the new Staff Monitored Program with Executive Board Involvement. Looking forward, the IMF needs to continue to review and, if necessary, adapt its instruments and policies to best serve the membership in the context of global shocks. We will undertake all necessary efforts to close the remaining funding gap in the Poverty Reduction and Growth Trust for subsidies and loans, including through voluntary SDR channeling. We look forward to the forthcoming review of the Catastrophe Containment and Relief Trust, where funding needs will be evaluated. We welcome the voluntary contributions made for the IMF's multi-donor administered account to facilitate bilateral financial assistance to Ukraine.

7. We support the IMF's efforts to work with partners to address current and future debt challenges. We welcome the recent progress made on Zambia's debt restructuring. Building on this momentum, we support the IMF's work with the World Bank to help strengthen and accelerate the implementation of the G20's Common Framework (CF) for debt treatments on a case-by-case basis, which is also agreed by the Paris Club, in a timely, orderly, and coordinated manner. We encourage the timely, orderly, and coordinated conclusion of the debt treatments for Chad and Zambia and progress on Ethiopia under an IMF-supported program. Given the rise of vulnerabilities in middle-income countries, we support efforts to explore, with all stakeholders, ways to promote stronger creditor coordination for debt restructuring where the CF is not applicable and to develop further complementary avenues to foster greater global consensus on debt challenges worldwide and appropriate ways to address them. We look forward to the IMF's work on collateralized financing practices, strengthening contractual provisions to support debt restructurings, improving debt data quality and transparency, roll-out of the new Sovereign Risk and Debt Sustainability Framework, and implementation of the revised sovereign-arrears policies.

8. We welcome the IMF's stepped-up efforts—in line with its mandate and in continued effective collaboration with partners—to deepen its macro-financial surveillance and implement its strategies for helping members tackle climate change, reap the opportunities and mitigate the risks related to digitalization, and reduce income and gender inequality, when deemed macro-critical. We also welcome the IMF's efforts to provide customized support to fragile and conflict-affected states in addressing their unique needs, including macroeconomic issues arising from security and humanitarian challenges. We reiterate the IMF's important role in responding to members' diverse needs for guidance on the macroeconomic and financial implications of climate change issues and on effective policy responses, including through dialogue. We look forward to the IMF's analytical work on the implications of digital money for global financial stability and the International Monetary System, on policy considerations for crypto assets, and on improving cross-border payment arrangements. We welcome the recent strategy integrating macro-critical aspects of gender into the IMF's core activities exploring synergies with other Fund workstreams. We support the IMF's work to enhance engagement on social spending.

9. We support the IMF's efforts to further integrate country-tailored capacity development (CD) with surveillance and lending activities and secure appropriate financing for CD. We look forward to the review of the strategic framework for CD, following the Independent Evaluation Office's recommendations.

10. We reaffirm our commitment to a strong, quota-based, and adequately resourced IMF at the center of the global financial safety net. We remain committed to revisiting the adequacy of quotas and will continue the process of IMF governance reform under the 16<sup>th</sup> General Review of Quotas, including a new quota formula as a guide, by December 15, 2023. We welcome the constructive engagement of all members. We also welcome the third progress report to the Board of Governors and look forward to accelerated progress by the time of the next meeting.

11. We welcome the IMF's continued efforts to attract talent to support existing and new priority areas and urge it to step up improvements in staff diversity and inclusion, responding to the specific challenges identified in the FY 2020 - FY 2021 Diversity and Inclusion Report. We also stress the importance of increasing gender diversity in the Executive Board. We support the IMF's efforts to strengthen its Enterprise Risk Management framework to underpin responsible risk taking in fulfilling its mandate. We look forward to the implementation of the recommendations of the Institutional Safeguards Review.

12. Our next meeting is expected to be held on April 21, 2023.